

To,

Date: 07th August, 2023

The Management,
Oxyzo Financial Services Private Limited

To,
The Management,
Zfirst Technologies Private Limited

Sub: - Fairness opinion on the share exchange ratio for the proposed amalgamation of the entire business and undertaking of Zfirst Technologies Private Limited ("**Zfirst**" or the "**Amalgamating Company**") with Oxyzo Financial Services Private Limited ("**Oxyzo**" or the "**Amalgamated Company**")

Dear Sir/Madam,

We, Corporate Capital Ventures Private Limited" (hereinafter referred as **CCV**), a SEBI registered Category-I Merchant Banker, understand that Zfirst Technologies Private Limited ("**Zfirst**" or the "**Amalgamating Company**") proposed to be amalgamated with Oxyzo Financial Services Private Limited ("**Oxyzo**" or the "**Amalgamated Company**") by way of share exchange. Zfirst and Oxyzo collectively referred to as the "Transacting Companies"/ "Merging Entities". As a consideration for the aforesaid proposed amalgamation, CCPS Series A1 and Series A2 of the Amalgamated Company would be issued to the shareholders of the Amalgamating Company. We further understand that Management of the Transacting Companies have undertaken valuation exercise for the Proposed Amalgamation and obtained a Valuation Report dated 05 August 2023, from Manuj Singhal, a Registered Valuer Securities or Financial Assets, with Registration No: IBBI/RV/05/2018/10425 (hereinafter referred to as "Valuer") recommending the share exchange ratio for the issuance of CCPS Series A1 and Series A2 of Oxyzo to the shareholders of Zfirst.

In this regard, CCV has been requested by the respective managements of the Transacting Companies to give a "Fairness Opinion Report" on the share exchange ratio for the Transacting Companies.

CCV has not undertaken the valuation of the Transacting Companies. The valuation exercise for the Proposed Scheme has been done by Manuj Singhal. We have examined the Valuation Report dated 05 August 2023 submitted by Valuer to the Transacting Companies. We have not independently checked or verified the assumptions made by the Valuer.

We have reviewed the historical financial and business information of the Merging Entities and certain comparable companies and other relevant information from publicly available sources, and have taken into account such other matters as we deemed necessary including our assessment of general economic, market and monetary conditions.

For arriving at the opinion, we have:

- Perused the Valuation Report issued by the Valuer
- Received and reviewed certain explanations and additional information provided by the representatives of the Merging Entities

- Reviewed the Proposed Draft Composite Scheme of Arrangement
- Reviewed the Audited Financial statements for FY 2022 and 2023.

In addition to the above, we have had discussions with the officials of the Merging Entities on the past and current business operations of the businesses concerned. Further, we have had discussions with the Merging Entities and the Valuer on such matters which we believe are necessary or appropriate for the purpose of issuing the Fairness Opinion Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the Transacting Companies to carry out an independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information supplied or otherwise made available to us either in oral or written form, discussed with or reviewed by or for us. We have been informed that all information relevant for the purpose of issuing the Fairness Opinion Report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed. This being so, no representation or warranty, express or implied, is or will be made, and no responsibility or liability is or will be accepted by CCV and its affiliates, its directors, employees, agents or representatives, or in relation to, the accuracy or adequacy of information contained in the Fairness Opinion Report or any other written or oral information made available to any party or their advisors in connection with such Fairness Opinion Report. We do not accept any liability to any third party in relation to the issuance of this Fairness Opinion Report.

We have not conducted any evaluation of the solvency or fair value of the Merging Entities, under any laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or facilities of the Merging Entities. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial documents provided to us; we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Merging Entities.

Our Fairness Opinion Report does not factor overall economic environment risk and other risks and is purely based on the information and representations provided to us. We have not assumed the risk of any material adverse change having an impact on the business of the Merging Entities. We express no view as to, and our Fairness Opinion Report does not address, the underlying business decision of any company to affect the Proposed Scheme or the merits of the Proposed Scheme nor does it constitute any kind of recommendation to any shareholder or creditor of the Transacting Companies as regards to the Proposed Scheme or any matter related thereto.

In addition, this Fairness Opinion Report does not address the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of the Transacting Companies.

Our Fairness Opinion Report is not and does not purport to be an appraisal or otherwise reflective of the prices at which any business or securities actually could be ideally bought or sold by any party and is not indicative of actual value or actual future results that might be achieved, which value may be higher or lower than those indicated, and any investment decision should not be based solely on this Fairness Opinion Report and the buyer should carry out their own due diligence.

Our Fairness Opinion Report is not necessarily based on economic, market and other conditions as in effect on the date of issuing this Fairness Opinion Report, and the information made available to us as of, the date hereof. It should be understood that in case of any subsequent developments we do not have any obligation to update, revise, or reaffirm this Fairness Opinion Report certified to the extent that the conclusions are based on projections. We have assumed that the Financial Projections have been reasonably prepared by management and reflect management's best currently available estimates and good faith judgment of the future competitive, operating and regulatory environment and related financial performance of the Company, and that the Financial Projections and the assumptions derived therefrom provide a reasonable basis for our opinion. CCV expresses no opinion on the achievability of those forecasts.

This Fairness Opinion Report is provided solely for the benefit of the Management of the Transacting Companies and shall not confer rights or remedies upon, any shareholder of the Transacting Companies or any other person other than the members of the Board of Directors of the Transacting Companies or be used for any other purpose. Our opinion may not be used or referred to by the Company, or quoted or disclosed to any person in any matter, without our prior written consent.

This Fairness Opinion Report is only a free and fair opinion and does not constitute a commitment by CCV to underwrite, subscribe for or place any securities or to extend or arrange credit or to provide any other services. In addition, we were not requested to and did not provide advice concerning the structure, the specific amount of the consideration, or any other aspects of the Transaction, or to provide services other than the delivery of this opinion. There is no conflict of interest in our opinion and our fee is not contingent upon the opinion expressed herein.

For the purpose of the Valuation and recommending the share exchange ratio, considering the nature, stage, and size of the business and keeping in view the necessary regulatory guidelines, the Valuer has utilized the Income Approach to determine the fair value of equity shares of Zfirst and Oxyzo which we find are an appropriate methodology for the purpose of issuing the Fairness Opinion Report.

As per the valuation report dated 05 August 2023, the share exchange ratio identified by the valuer is as mentioned below:

"533,208 0.0001% non-cumulative non-participating non-voting compulsorily convertible preference shares Series A1 ("CCPS Series A1") of face value INR 10 each fully paid up of Oxyzo for every **2,681,062** equity shares of face value of INR 10 each fully paid of Zfirst for the amalgamation of Zfirst into Oxyzo".

"212,789 0.0001% non-cumulative non-participating non-voting compulsorily convertible preference shares Series A2 ("CCPS Series A2") of face value INR 10 each fully paid up of Oxyzo for every **1,069,938** equity shares of face value of INR 10 each fully paid of Zfirst for the amalgamation of Zfirst into Oxyzo".

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that, as of the date hereof, the proposed share exchange ratios set out above are fair, from a financial point of view.

For Corporate Capital Ventures Pvt. Ltd.
SEBI Registered Category – I Merchant Banker
SEBI Registration No. INM000012276

 

Kulbhushan Parashar
(Director)

End of Report